

Arent Fox

June 2, 2011

The Honorable Judge Shelley C. Chapman
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004-1408

Heike M. Vogel

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Re: *In re Home Sewing Association*, Case No. 08-10021 (SCC)
(*Roy Babitt, Chapter 7 Trustee of Home Sewing Association v.*
Joyce Perhac & Foxfire Management, Adv. Pro No. 09-01864)

Dear Judge Chapman:

As your Honor is aware, Arent Fox LLP represents Roy Babitt in his capacity as the Chapter 7 Trustee (the "Trustee") of the above-referenced Chapter 7 case and accompanying adversary proceeding. This letter is to inform the court that the parties to the above-referenced adversary proceeding continue to engage in mediation, and the court-appointed mediator, Joe Moldovan, Esq., arranged and conducted a telephonic conference with counsel for the defendants and the Trustee, respectively, on Thursday, June 2, 2011.

As the parties continue to move toward a mutually-agreeable resolution of this adversary proceeding, it was decided to adjourn the currently scheduled status conference on June 7, 2011 before your Honor to a date to be determined in the future. The parties hope to resolve their dispute through mediation in the near future.

Very truly yours,



Heike M. Vogel

cc:

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George T. Snyder, Esq.
Joseph T. Moldovan, Esq.
NYC/586528.1